

FILED

JUN 22 2018

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
AT KNOXVILLE**

Clerk, U. S. District Court
Eastern District of Tennessee
At Knoxville

NO. 3:18-MJ-1075

**IN THE MATTER OF THE SEARCH OF
The residence and its curtilages and outbuildings,
appurtenances, attached and detached garages
and/or sheds, and vehicles located at 195 South
Lake Drive, Oneida, Tennessee 37841**

**AFFIDAVIT IN SUPPORT
OF APPLICATION FOR
SEARCH WARRANT**

**AFFIDAVIT IN SUPPORT OF
AN APPLICATION FOR A SEARCH WARRANT**

I, Shawn Rogers, a Special Agent (SA) with the Drug Enforcement Administration
("DEA"), being duly sworn, depose and state:

INTRODUCTION AND AGENT BACKGROUND

1. I am a Special Agent with the Department of Justice, DEA, assigned to the London, Kentucky, Resident Office. I have been a Special Agent since August, 2015, and am empowered by law to conduct criminal investigations. My duties since joining DEA have consisted of investigating Drug Trafficking Organizations ("DTO"), illegitimate medical practices, as well as related criminal acts, such as money laundering, fraud, and firearms offenses. I have received training from the DEA regarding the investigation of such offenses and have participated in investigations involving the distribution of cocaine, methamphetamine, heroin, pharmaceuticals, and numerous controlled substances.

2. Prior to my employment with DEA I was employed as a Correctional Officer with the Bureau of Prisons ("BOP") for approximately 5 years. During my employment with BOP, I participated in investigations of the trafficking of controlled substances such as marijuana,

heroin, and cocaine, inside a correctional institution. I have received training in criminal law, constitutional law, rules of evidence, and identifying the techniques in which criminal organizations exploit security measures.

3. During my employment with DEA, I have engaged in or contributed to investigations involving the seizure of controlled substances, as well as the seizure of evidence that document a criminal organization's activities in the manufacture, possession, and distribution of controlled substances. Through these investigations, my training and experience, and conversations with other experienced agents and law enforcement personnel, I have become familiar with the methods used by traffickers to smuggle and safeguard narcotics, to distribute narcotics, and to collect and launder related drug proceeds. Additionally, I am aware of the tactics utilized by physicians involving the improperly prescribing of controlled substances.

4. This investigation is being conducted jointly by the DEA, the Internal Revenue Service ("IRS"), and the Tennessee Bureau of Investigation, with assistance from other local law enforcement officers in Tennessee and Kentucky. Information obtained as a result of the investigative efforts of each agency are being shared with agents from the other agency and have been incorporated into this Affidavit. The facts set forth in this Affidavit are based on my own personal knowledge; knowledge obtained from other law enforcement officers; review of documents and computer records related to this investigation; communications with others who have personal knowledge of the events and circumstances described herein; and information gained through my training and experience and the training and experience of others.

5. This Affidavit is being submitted in support of an application for a search warrant to search the following premises (hereinafter the "Subject Premises"): The residence of David Bruce Coffey, and its curtilages and outbuildings, appurtenances, attached and detached garages

and/or sheds, and vehicles located at 195 South Lake Drive, Oneida, TN 37841. The Subject Premises is further described as a single-family home constructed of white brick, with a gray roof, white door, and two multi-vehicle attached garages. Photographs of the Subject Premises are included in Attachment A, incorporated by reference herein. The Subject Premises are located about one-tenth of a mile from Coffey Family Medical Clinic (“CFMC”) and Mark’s Family Pharmacy.

6. Bruce Coffey and others affiliated with CFMC are under investigation for drug trafficking and money laundering offenses in violation of 21 U.S.C. §§ 846 and 841 and 18 U.S.C. §§ 1956 and 1957. I rely upon and incorporate by reference my affidavit submitted in support of an application for warrant to search CFMC at 281 Underpass Drive, Oneida, Tennessee 37841 (hereinafter “the CFMC Affidavit”), as the basis for establishing probable cause to believe that Bruce Coffey and others have committed drug trafficking and money laundering offenses. As such, the details from the CFMC Affidavit will not be repeated here. Instead, this affidavit will show that there is probable cause to believe that evidence, fruits, and instrumentalities of these offenses (as specifically described in Attachment B, attached and incorporated herein) will be found at the Subject Premises.

7. Because this affidavit is being submitted for the limited purposes of establishing probable cause, I have not included every detail of every aspect of the investigation for this portion of the affidavit. Rather, I have set forth only those facts that I believe are necessary to establish probable cause to believe that evidence, fruits, and instrumentalities of these offenses are located at the Subject Premises.

BASIS FOR SEEKING SEARCH WARRANT FOR SUBJECT PREMISES

8. According to records maintained by the State of Tennessee, Tennessee Driver's License Number 033694237 was issued on September 28, 2016, to David Bruce Coffey, and lists a residential and mailing address of 281 Underpass Dr., Oneida, TN 37841-5885. The records listed Coffey's date of birth and social security number. Based on the investigation described in the CFMC Affidavit, I know that 281 Underpass Drive is not Bruce Coffey's residence, but rather is the address for CFMC.

9. Per the same source, Tennessee Driver's License Number 072947347 was issued on August 1, 2016, to Charlseey Renee Coffey, and lists a residential address of 1838 Peppertree Dr., Alcoa, TN 37701. The records listed Charlseey Coffey's date of birth and social security number. Property records indicate that the property at 1838 Peppertree Dr. is owned by Charlseey Renee Wyrick and Geraldine Wyrick.

10. As described in the CFMC Affidavit, at least \$18,000,000 of proceeds from patient visits to CFMC were deposited in a CFMC account at Citizens First Bank ("CFMC Account No. 33449"). More than \$2,600,000 was disbursed from CFMC Account No. 33449 to accounts held by Bruce Coffey and Charlseey Coffey. CFMC Affidavit ¶ 49. Individual checks or electronic transfers frequently exceeded \$10,000. For example, Bruce Coffey deposited CFMC checks written to him in June and July of 2017, each for \$75,000; April 2017 for \$76,638; March 2017 for \$50,000, \$29,680.83 and \$54,021.26; and February 2017 for \$20,000, \$11,227.89, and \$26,638. A CFMC check to Charlseey Coffey in January 2017 was in the amount of \$11,227.89. Electronic transfers from the CMFC Citizen First Bank account 33449 to

Bruce and Charlseyy Coffey's account 323378 at Citizens First Bank include multiple deposits in January – March 2012 for \$10,000, \$20,000 \$24,000, and \$30,000. Another such deposit in October 2012 was for \$100,000.

11. This same account received more than \$200,000 of electronic deposits with transaction descriptions of "Payroll Coffey Family Me." These deposits – which frequently exceeded \$10,000 per transaction – began in May 2016 and continued through at least the end of 2017 (the end of the period for which I reviewed subpoenaed records of account 318535). Brandon Coffey also received routine deposits bearing the same transaction descriptions. *Id.* ¶ 59.

12. I reviewed records of a CFMC account at Regions Bank ("CFMC Account No. 193352840"), which received more than \$4,500,000 from CFMC Account No. 33449 and transferred more than \$5,000,000 to Propel HR Inc., a company that provides payroll and human resources services. *Id.* ¶ 51. This movement of CFMC patient funds to a payroll-service company, contemporaneous with the deposits into Bruce Coffey's and Brandon Coffey's accounts that have matching transaction descriptions ("Payroll Coffey Family Me"), indicates that CFMC patient funds were part of the many deposits in excess of \$10,000 that Bruce Coffey received.

13. The registered address for Bruce and Charlseyy Coffey's account 323378 at Citizens First Bank is P.O. Box 4729, Oneida, TN 37841, rather than either of their residences. Bruce Coffey used the same P.O. Box address to register at least one other personal bank account and the CFMC account 33449 at Citizens First Bank.

14. I know from my training, experience, and consultation with other law enforcement officers specializing in financial investigations that registering bank accounts and a driver's license to P.O. Boxes or street addresses other than a residence is a common practice of individuals engaged in money laundering and/or concealing the fruits of criminal activity, including drug trafficking. Bruce Coffey has engaged in both of these practices.

15. Based on the review of financial records described in the CFMC Affidavit, I believe Bruce and Charlsey Coffey have converted proceeds they received from CFMC into assets that would be more difficult to recognize as the proceeds of criminal activity. For example, Bruce Coffey wrote check number 1244 from Citizens First Bank account number 323378 for \$110,000, payable to Ayers Escrow. The check was endorsed by "Ayers Realty." Ayers Auction and Real Estate is a company located in LaFollette and Oneida, Tennessee. The check is dated November 2, 2015, approximately two weeks before Scott County property records show that Bruce and Charlsey Coffey purchased the Subject Premises. *Id.* ¶ 65.

16. Records from this account also show multiple transactions indicating the purchase of automobiles and watercraft. *Id.* ¶¶ 71-73. For example, a cashier's check and a personal check, both written in February 2017, are tied to Bruce and Charlsey Coffey's February 24, 2017 purchase of a 2014 Mercedes-Benz GL450. Law enforcement have observed Charlsey driving Bruce in a vehicle matching this description to and from CFMC, typically coming and going in the direction of the Subject Premises. *Id.* ¶¶ 66-67. State records show that Bruce Coffey has purchased other Mercedes vehicles, and a police officer responding to an April 23, 2018 domestic violence complaint from Charlsey Coffey observed a black Mercedes sedan inside the garage of the Subject Premises. Police spoke with both Bruce and Charlsey Coffey at the Subject Premises. *Id.* ¶ 68.

17. As to watercraft purchases, two checks from account number 323378 for more than \$30,000 each to Premier Watersports in April and September of 2017 are consistent with the purchase of one or more watercraft. Charlsey Coffey has registered with the State of Tennessee a personal watercraft and a pontoon, both model year 2017. *Id.* ¶ 63.

18. Furthermore, I know from my training, experience, and consultation with other law enforcement officers, that individuals commonly keep items that indicate past trips they have taken – such as notes, receipts, photographs, ticket stubs, and bank statements – inside their residences. Such items found in the Subject Premises may constitute evidence of a drug trafficking conspiracy because, as explained in the CFMC Affidavit, I have identified airline records and data from prescription monitoring programs showing that prescriptions for Schedule II controlled substances were issued in Bruce Coffey’s name on travel dates. This data corroborates statements from CFMC employees about patients receiving prescriptions in Bruce Coffey’s name without having a patient visit with Coffey on the day of the prescription’s issue.

19. Based on interviews of CFMC staff described in the CFMC Affidavit ¶¶ 13-18, I have reason to believe that Bruce Coffey maintains documents in his residence related to his clinics, including patient files. Coffey has pre-signed prescriptions from his residence, according to CFMC employees Tamara Wisner and Evelyn Faye Smith. Wisner suspected that Coffey had, from his residence, “taken care of” a relative of his ex-wife (which I believe to be a reference to issuing prescriptions for controlled substances). Although Bruce Coffey has changed residences since the time of those interviews with CFMC staff, I nonetheless believe these practices give probable cause to believe that documents related to CFMC and his other clinics will be found inside current residences, including the Subject Premises.

20. In addition to the information set forth above about the Subject Premises, based upon my experience, training, and background, my participation in investigations of drug trafficking, money laundering, and other criminal activity, and my conversations with other experienced law enforcement agents, I know the following to be true:

a) It is common for individuals involved in drug trafficking and money laundering to hide proceeds of their crimes, and records of their crimes, including, but not limited to books, records, receipts, notes, ledgers, business and personal checks, business and individual checking account and brokerage account statements, credit cards, credit card statements, account numbers, access numbers, and false identifications within their residences, garages, storage buildings, automobiles, and safety deposit boxes for ready access, and also to conceal such items from law enforcement authorities. These individuals will often deposit monies derived from an illegal activity into bank or brokerage accounts that they maintain, and then use those monies through wire transfers and other withdrawals and checks written from the accounts.

b) Individuals involved in drug trafficking and money laundering will often convert the proceeds from unlawful activities into other assets such as real property, investments, automobiles, boats, and aircraft. I also know that it is a common practice of individuals involved in money laundering to maintain at their residences records such as (1) corporate and accounting records, (2) telephone bills and statements, (3) banking, brokerage, and investment files and records, (4) records of real estate transactions and purchases of other significant personal assets, such as jewelry, automobiles, and boats, and (5) correspondence with co-conspirators which are related to their illegal activities.

c) Individuals involved in unlawful activity, including drug trafficking and money laundering, often realize financial gains from their crimes. Unexplained wealth is probative of

crimes motivated by greed, including the criminal activity. Persons involved in criminal activity usually maintain records and information related to their finances in their homes.

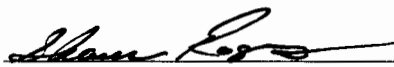
d) Individuals involved in drug trafficking and money laundering conceal large amounts of currency, financial instruments, precious metals, jewelry and other things of value and/or proceeds of financial transactions made from engaging in their crimes within their residences, garages, storage buildings, automobiles, and safety deposit boxes.

e) I also know through my experience that it is common to maintain and store the aforementioned evidence of financial crimes electronically utilizing computer hardware, software, electronic storage devices, and different types of computer media.

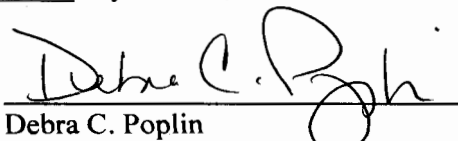
CONCLUSION

21. Based on the information described herein and the incorporated CFMC Affidavit, I believe that Bruce Coffey maintains a residence at the Subject Premises. I believe that probable cause exists to search the Subject Premises for the evidence, fruits, and instrumentalities of drug trafficking and money laundering listed in Attachment B.

FURTHER THIS AFFIANT SAYETH NOT


Shawn Rogers, Special Agent
U.S. Drug Enforcement Administration

Subscribed to and sworn before me, this the 7th day of June, 2018.


Debra C. Poplin
United States Magistrate Judge
Eastern District of Tennessee